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Attorneys for Plaintiff

AZAD BABAN

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

LOS ANGELES

In re:

SCOOBEEZ et al,

Debtor.

Case No. 2:19-bk-14989-WB

Chapter 11

Affects:

☒ All Debtors

☐ Scoobeez, ONLY

☐ Scoobeez Global, Inc., ONLY

☐ Scoobur LLC, ONLY

**Stipulation for Entry of Order Granting
Relief From Automatic Stay Under 11
U.S.C. § 362(a) (ACTION IN
NONBANKRUPTCY FORUM) For
Certain Specified Purposes**

DATE: October 8, 2019

TIME: 10:00 a.m.

PLACE: Courtroom 1375
255 E. Temple Street
Los Angeles, CA 90012

1 Azad Baban (“**Baban**” or “**Plaintiff**”) and SCOOBEEZ, one of the debtors in the
2 above captioned jointly administered bankruptcy proceedings (the “**Bankruptcy Case**”)
3 (the “**Debtor**” or “**Scoobeez**”) through counsel, hereby enter into this stipulation for entry
4 of an order granting relief from the automatic stay under 11 U.S.C. § 362 for the limited
5 purposes identified herein (the “**Stipulation**”), with respect to the following facts:

6 **RECITALS**

7 A. On January 30, 2018, Baban filed a complaint in the Los Angeles Superior
8 Court against the Debtor, amongst others, alleging causes of action for wrongful
9 termination, racial, disability and gender harassment, discrimination and retaliation, and
10 related claims (the “**Complaint**”), which commenced a lawsuit entitled Azad Baban v.
11 Scoobeez, Inc., et al., Case No. BC692250 (the “**State Court Action**”). On or about June
12 8, 2018, the Debtor filed a demurrer to the Complaint, which was granted in part. On or
13 about July 20, 2018, Baban filed a first amended complaint (the “**FAC**”).

14 B. On or about September 7, 2018, in the State Court Action, the Debtor filed
15 an answer to the FAC, and on or about December 28, 2018, the Debtor, amongst other
16 defendants, filed a motion for summary judgment, which was pending on the Petition
17 Date, as that term is defined below. On April 30, 2019 (the “**Petition Date**”), the Debtor
18 filed a voluntary petition under chapter 11 of the United States Code, which commenced
19 the Bankruptcy Case.

20 C. On August 6, 2019, Plaintiff filed a proof of claim in the Bankruptcy Case,
21 which was designated as Claim No. 5 (the “**Proof of Claim**”).

22 D. Plaintiff believes that there are certain insurance policies that may provide
23 coverage for the claims asserted against the Debtor in the State Court Action (collectively,
24 the “**Policies**”).

25 E. On September 11, 2019, the Plaintiff filed a *Notice of Motion and Motion*
26 *for Relief from the Automatic Stay under 11 U.S.C. § 362 (Action in Nonbankruptcy*
27 *Forum)* [Docket No. 316] (the “**Motion**”). By the Motion, Plaintiff requested relief from
28 the automatic stay in order to proceed with the State Court Action.

1 F. The Motion is currently set for hearing on October 8, 2019, at 10:00 a.m.

2 G. Plaintiff seeks relief from the automatic stay to pursue the State Court
3 Action to judgment (including through appeal, if and as necessary) in order to liquidate
4 the claims at issue in the State Court Action and solely to recover from and to the extent
5 of any applicable coverage available under the Policies, if any.

6 **NOW, THEREFORE, BASED ON THE FOREGOING RECITALS AND**
7 **SUBJECT ONLY TO BANKRUPTCY COURT APPROVAL, IT IS HEREBY**
8 **STIPULATED AND AGREED:**

9 1. Relief from the automatic stay under U.S.C. § 362 shall be granted for the
10 limited purpose(s) and to the extent specifically identified in Recital G above;

11 2. Plaintiff shall retain the right to prosecute the Proof of Claim to the extent
12 the liability thereunder is not otherwise satisfied by the proceeds of the Policies, if any;

13 3. Within ten (10) days of Plaintiff's receipt of any proceeds from one or more
14 of the Policies on account of the claims pled in the FAC (the "**Insurance Proceeds**"),
15 Plaintiff shall amend the Proof of Claim to reflect the proceeds received;

16 4. Within ten (10) days of entry of any judgment in the State Court Action in
17 favor of Plaintiff against the Debtor, Plaintiff shall amend the Proof of Claim to reflect the
18 liquidated amount of the claim(s) as against the Debtors, or any of them, net of any
19 Insurance Proceeds received from the Policies, if any; and

20 4. The effectiveness of any order entered approving this Stipulation and
21 granting relief from the automatic stay on the terms set forth herein shall take effect
22 immediately, and the fourteen (14) day period set forth in Federal Rule of Bankruptcy
23 Procedure 4001(a)(3) shall not apply.

24 [Signatures on following page]

1 IT IS SO STIPULATED.

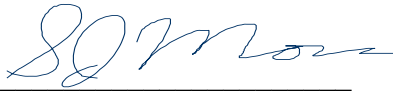
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3 Dated: October 3, 2019

FOLEY AND LARDNER, LLP

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By: 
Shane J. Moses

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Attorney for Debtor
SCOOBEEZ, et al.

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11 Dated: October 3, 2019

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By: */s/ Gregory Salvato*
Gregory M. Salvato

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Emma Samyan

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Attorneys for Plaintiff
AZAD BABAN

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SALVATO LAW
OFFICES

PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:

Salvato Law Offices, 777 South Figueroa Street, Suite 2800, Los Angeles, CA 90017

A true and correct copy of the foregoing document entitled (*specify*): **Stipulation for Entry of Order Granting Relief From Automatic Stay Under 11 U.S.C. § 362(a) (ACTION IN NONBANKRUPTCY FORUM) For Certain Specified Purposes** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On (*date*) **10/03/19**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

- **Richard W Esterkin** richard.esterkin@morganlewis.com
- **John-Patrick M Fritz** jpf@lnbyb.com, JPF.LNBYYB@ecf.inforuptcy.com
- **Riebert Sterling Henderson** shenderson@gibbsgiden.com
- **Vivian Ho** BKClaimConfirmation@ftb.ca.gov
- **Alvin Mar** alvin.mar@usdoj.gov
- **Ashley M McDow** amcdow@foley.com, sgaeta@foley.com;mhebbeln@foley.com;swilson@foley.com;jsimon@foley.com
- **Stacey A Miller** smiller@tharpe-howell.com
- **Kevin H Morse** kmorse@clarkhill.com, blambert@clarkhill.com
- **Shane J Moses** smoses@foley.com
- **Akop J Nalbandyan** jnalbandyan@LNtriallawyers.com, cbautista@LNtriallawyers.com
- **Rejoy Nalkara** rejoy.nalkara@americaninfosource.com
- **Anthony J Napolitano** anapolitano@buchalter.com, IFS_filing@buchalter.com;salarcon@buchalter.com
- **David L. Neale** dln@lnbyb.com
- **Aram Ordubegian** ordubegian.aram@arentfox.com
- **Hamid R Rafatjoo** hrafatjoo@raineslaw.com, bclark@raineslaw.com;cwilliams@raineslaw.com
- **Gregory M Salvato** gsalvato@salvatolawoffices.com, calendar@salvatolawoffices.com;jboufadel@salvatolawoffices.com;gsalvato@ecf.inforuptcy.com
- **Jeffrey S Shinbrot** jeffrey@shinbrotfirm.com, sandra@shinbrotfirm.com
- **Steven M Spector** sspector@buchalter.com, IFS_efiling@buchalter.com;salarcon@buchalter.com
- **United States Trustee (LA)** ustpregion16.la.ecf@usdoj.gov
- **Eric K Yaeckel** yaeckel@sullivanlawgroupapc.com

☐ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL:

On (*date*) _____, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on (*date*) **10/03/19**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

This form is mandatory. It has been approved for use by the United States Bankruptcy Court for the Central District of California.

Overnight Mail
Honorable Julia W. Brand
United States Bankruptcy Court
255 E. Temple Street, Suite 1382
Los Angeles, CA 90012

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

10/03/2019

Date

Tim Mayse

Printed Name

/s/ Tim Mayse

Signature